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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

RECORDATION NO. 6062-G FILED
MAR 29 '01 10-24 AM
SURFACE TRANSPORTATION BOARD
OF COMMERCE

March 28, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of an Memorandum of Lease Termination, dated as of March 15, 2001 a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Railroad Equipment, which was previously filed with the Commission under Recordation Number 6062.

The names and addresses of the parties to the enclosed document are:

Lessor: The CIT Group/Equipment
Financing, Inc.
1211 Avenue of the Americas
New York, NY 10036

Lessee: Grand Trunk Western Railroad
Incorporated
P.O. Box 8100
Montreal, Canada H3C 4N4

A description of the railroad equipment covered by the enclosed document is:

17 boxcars within the series GTW 126750 - GTW 126766 (formerly DTI 26750 - DTI 26766)

6062 G 1024 AM

JP

Mr. Vernon A. Williams
March 28, 2001
Page Two

A short summary of the document to appear in the index follows:

Memorandum of Lease Termination between The CIT Group/
Equipment Financing, Inc., Lessor, and Grand Trunk Western
Railroad Incorporated, Lessee, covering 17 boxcars within the
series GTW 126750 - GTW 126766 (formerly DTI 26750 - DTI
26766)

Also enclosed is a check in the amount of \$28.00 payable to the order
of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

EQUIPMENT LEASE

MAR 3 1971 -8 44 AM

RE: BURLINGTON NORTHERN INC. INTERSTATE COMMERCE COMMISSION
(B. N. Trust No.2)

THIS EQUIPMENT LEASE dated as of November 30, 1970 between D. E. Mundell and Ben Maushardt not in their individual capacities but solely as Trustees under a Trust Agreement dated as of November 30, 1970 (the "Lessor"), UNITED STATES LEASING INTERNATIONAL, INC., a California corporation, as Agent for the Lessor (the "Agent"), and BURLINGTON NORTHERN INC., a Delaware corporation (the "Lessee"),

W I T N E S S E T H:SECTION 1. PURCHASE, RECONSTRUCTION AND DELIVERY OF EQUIPMENT.

1.1. Reconstruction Agreement. The Lessor, the Agent, the Lessee and Burlington Equipment Company, an Illinois corporation (the "Rebuilder"), have entered into a Railroad Equipment Reconstruction Agreement dated as of November 30, 1970 (the "Reconstruction Agreement") providing for the purchase and reconstruction by the Rebuilder of the railroad cars (hereinafter referred to collectively as the "Equipment" and individually as "Item of Equipment") described in Schedules A-1 to A-11 hereto in accordance with the specifications (the "Specifications") referred to in Section 1 of the Reconstruction Agreement; and the Rebuilder, the Lessor and the Agent have entered into a Conditional Sale Agreement dated as of November 30, 1970 (the "Conditional Sale Agreement") providing for the conditional sale to the Lessor of the said railroad cars;

1.2. Intent to Lease and Hire. The Lessee desires to lease the Equipment or such lesser number as are delivered to and accepted under the Reconstruction Agreement on or prior to March 31, 1972 at the rentals and for the terms and upon the conditions hereinafter provided;

1.3. Certificate of Acceptance. The Lessor will cause each Item of Equipment to be tendered to the Lessee on the line of railroad of the Lessee at the plant of the Rebuilder in Lincoln, Nebraska. Upon such tender, the Lessee will cause an authorized representative of the Lessee to inspect the same, and if such Item of Equipment is found to be in good order, to accept delivery of such Item of Equipment and to execute and deliver to the Lessor and to the Rebuilder a certificate of acceptance in the form attached

(B. N. Trust No. 2)

hereto as Exhibit I (hereinafter called the "Certificate of Acceptance"); whereupon such Item of Equipment shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all of the terms and conditions of this Lease.

SECTION 2. RENTS AND PAYMENT DATES.

2.1. Rent for Equipment. The Lessee agrees to pay the Lessor the following Rent for each Item of Equipment leased hereunder:

(a) Periodic Rent. For each Item of Equipment twenty (20) semiannual installments of Periodic Rent each payable in advance in the amount provided for each respective Item of Equipment in Schedules A-1 to A-11 hereto.

(b) Daily Interim Rent. For each Item of Equipment the amount per day provided for each respective Item of Equipment in Schedules A-1 to A-11 hereto for the period, if any, from the date of payment of the invoice for the reconstruction of such Item of Equipment to and including the respective due date of the first installment of Periodic Rent for such Item of Equipment as set forth in Section 2.2 hereof.

2.2. Rent Payment Dates. (a) The first installment of Periodic Rent and the total amount of Daily Interim Rent for all Items of Equipment for which the invoice for reconstruction has been paid on or prior to September 1, 1971 shall be due and payable on September 1, 1971. The first installment of Periodic Rent and the total amount of Daily Interim Rent for all Items of Equipment for which the invoice for reconstruction has been paid after September 1, 1971 and on or before March 1, 1972 shall be due and payable on March 1, 1972. The second through twentieth installments of Periodic Rent for each Item of Equipment shall be due and payable semiannually commencing six calendar months after the First Periodic Rent payment date for such Item.

2.3. Place of Rent Payment. All payments provided for in this Lease to be made to the Lessor shall be made to the Lessor at 633 Battery Street, San Francisco, California 94111, Attention: Corporate Trust Department, or at such other place as the Lessor, or its assigns pursuant to Section 16 hereof shall specify in writing.

2.4. Net Lease. This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent or reduction thereof, including, but not limited to, abatements or reductions due to any present or future claims of the Lessee against the Lessor under this Lease or otherwise or against the Rebuilder of the Equipment, nor except as otherwise expressly provided herein, shall this Lease

terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or failure of title of the Lessor to the Equipment or any defect in or damage to or loss or destruction of all or any of the Equipment from whatsoever cause, the taking or requisitioning of the Equipment by condemnation or otherwise, the lawful prohibition of the Lessee's use of the Equipment, the interference with such use by any private person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, or lack of right, power or authority of the Lessor to enter into this Lease, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to Section 11 hereof, or until, pursuant to Section 13 hereof, the Equipment is placed and ready for delivery to Lessor on the Lessee's lines, or is stored for the Lessor on the Lessee's lines, or leaves the Lessee's lines for off-line delivery to the Lessor.

SECTION 3. TERM OF THE LEASE.

The term of this Lease as to each Item of Equipment shall begin on the date of delivery to and acceptance by the Lessee of such Item of Equipment and subject to the provisions of Section 11 hereof, shall terminate 10 years after the date for payment of the first installment of Periodic Rent provided for in Section 2.2 hereof.

SECTION 4. OWNERSHIP AND MARKING OF THE EQUIPMENT.

4.1. Retention of Title. The Lessor, as between the Lessor and the Lessee, shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and the possession and use thereof by the Lessee.

4.2. Duty to Number and Mark Equipment. The Lessee will cause each Item of Equipment to be kept numbered with its road number as set forth in Schedules A-1 to A-11 and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one-half inch in height as follows:

"Leased through United States Leasing
International, Inc., as Agent for Trustee-Vendee
and Subject to a Security Interest Recorded with
the I. C. C."

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such Item of Equipment, its rights under this Lease and the rights of any assignee under Section 16 hereof. The Lessee will not place any such Item of Equipment in operation or exercise any control or dominion over the same until required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Item of Equipment except with the consent of the Lessor and in accordance with a statement of new road numbers to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

4.3. Prohibition Against Certain Designations. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates on railroad equipment used by it of the same or a similar type for convenience of identification or the right of the Lessee to use the Equipment under this Lease.

4.4. Indemnification for Improper Marking. The Lessee shall indemnify the Lessor, the Agent, the Trustor under the Trust Agreement, and any assignee under Section 16 hereof against any liability, loss or expense incurred by any of them as a result of the aforesaid marking of the Equipment with such name, initials or insignia.

SECTION 5. DISCLAIMER OF WARRANTIES.

AS BETWEEN LESSOR AND LESSEE, LESSOR LEASES THE EQUIPMENT, AS-IS WITHOUT WARRANTY OR REPRESENTATION EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, (B) THE LESSOR'S TITLE THERETO, (C) THE LESSEE'S RIGHT TO THE QUIET ENJOYMENT THEREOF, OR (D) ANY OTHER MATTER WHATSOEVER, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE. The Lessor hereby appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce, from time to time, in the name and for the account of the Lessor and the Lessee, as their interests may appear, but in all cases at the sole cost and expense of the Lessee, whatever claims and rights the Lessor may have as owner of the Equipment against any manufacturers or contractors in respect thereof.

SECTION 6. LESSEE'S INDEMNITY.

6.1. Scope of Indemnity. The Lessee shall defend, indemnify and save harmless the Lessor, the Agent and the Trustor under the Trust Agreement and their successors and assigns from and against:

(a) any and all loss or damage of or to the Equipment, usual wear and tear excepted, and

(b) any claim, cause of action, damages, liability, cost or expense (including counsel fees and costs in connection therewith) which may be incurred in any manner by or for the account of any of them (i) relating to the Equipment or any part thereof, including without limitation the construction, purchase, delivery, installation, ownership, leasing or return of the Equipment or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects are latent or discoverable by the Lessor or by the Lessee), (ii) by reason or as the result of any act or omission of the Lessee for itself or as agent or attorney-in-fact for the Lessor hereunder, (iii) as a result of claims for patent infringements, or (iv) as a result of claims for negligence or strict liability in tort.

6.2. Tax Indemnification. In the event that the benefits realized or intended to be realized from the five-year amortization method set forth in Section 184 of the Internal Revenue Code of 1954 as amended by the Tax Reform Act of 1969, or any part thereof, as now in effect, is lost or disallowed with respect to an Item of Equipment because of any default by the Lessee in the terms of this Lease, then the Lessee shall pay to the Lessor or the Trustor (as defined in Section 25 hereof) as the case may be, as additional rent, a sum which, after deduction of all taxes required to be paid by the Lessor or the Trustor in respect of the receipt thereof under the laws of the United States or any political subdivision thereof, shall compensate Lessor or Trustor for the reduction in the return to Lessor or Trustor resulting from Lessor's or Trustor's not being able to realize the benefits realized or intended to be realized by the amortization method set forth in Section 184 of the Internal Revenue Code of 1954 as amended by the Tax Reform Act of 1969, together with all interest or penalty which may be assessed by the United States government in connection with the loss of such benefits.

6.3. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this Lease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law or otherwise; provided, however, that such indemnities and assumption of liability shall not apply in respect of any matters referred to in subsection (a) or clause (i) or (ii) or subsection (b) of Section 6.1 hereof, occurring after the termination of this Lease, except for any such matters occurring after the termination arising in connection with the Lessee's assembling, delivering, storing or transporting of the Equipment as provided in Sections 13 or as the case may be, 15, hereof. The foregoing does not guaranty a residual value. The Lessee shall be entitled to control, and shall assume full responsibility for, the defense of such claim or liability.

SECTION 7. RULES, LAWS AND REGULATIONS.

The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including the rules of the United States Department of Transportation and the current Interchange Rules and supplements thereto of the Mechanical Division Association of American Railroads) with respect to the use, maintenance and operation of each Item of Equipment subject to this Lease. In case any equipment or appliance is required to be installed on such Item of Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such changes, additions and replacements.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Lessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, suitable for use in interchange. The Lessee shall not modify any Item of Equipment without the written authority and approval of the Lessor which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon any Item of Equipment shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in the Lessor, without cost or expense to the Lessor.

SECTION 9. LIENS ON THE EQUIPMENT.

The Lessee shall pay or satisfy and discharge any and all claims against, through, or under the Lessee and its successors or assigns which, if unpaid, might constitute or become a lien or a charge upon the Equipment, and any liens or charges which may be levied against or imposed upon any Item of Equipment as a result of the failure of the Lessee to perform or observe any of its covenants or agreements under this Lease, but the Lessee shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment. The Lessee's obligations under this Section 9 shall survive termination of the Lease.

SECTION 10. FILING, PAYMENT OF FEES AND TAXES.

10.1. Filing. Prior to the delivery and acceptance of the first Item of Equipment, the Lessee will, at its sole expense, cause this Lease and any Security Agreement executed by the Lessor with respect to the Equipment or the Lease to be duly filed, registered or recorded in conformity with Section 20c of the Interstate Commerce Act and in such other places within or without the United States as the Lessor may reasonably request for the protection of its title or the security interest of the Secured Party and will furnish the Lessor proof thereof. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will re-file, re-register, or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor, for the purpose of protecting the Lessor's title to, or such Secured Party's security interest in, the Equipment to the satisfaction of the Lessor's or such Secured Party's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor proof of such filings and an opinion of the Lessee's counsel that such action has been properly taken. The Lessee will pay all costs, charges and expenses incident to any such filing, re-filing, registering, re-registering, recording and re-recording of any such instruments or incident to the taking of such action.

10.2. Payment of Taxes. The Lessee, or the Lessor at the Lessee's expense, shall report, pay and discharge when due all license and registration fees, assessments, sales, use and property taxes, gross receipts taxes arising out of receipts from use or operation of Equipment, and other taxes, fees and governmental charges

similar or dissimilar to the foregoing (excluding any net income tax, provided that the Lessee agrees to pay that portion of any such net income tax which is in direct substitution for, or which relieves the Lessee from, a tax which the Lessee would otherwise be obligated to pay under the terms of this Section), together with any penalties or interest thereon, imposed by any state, federal or local government upon any Item of Equipment and whether or not the same shall be assessed against or in the name of the Lessor, the Agent, the Lessee, or the Trustor; provided, however, that the Lessee shall not be required to pay or discharge any such tax or assessment (i) so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment; however, the Lessee shall reimburse the Lessor for any damages or expenses resulting from such failure to pay or discharge, or (ii) as to assessments against or in the name of anyone other than the Lessee, until 20 days after written notice thereof shall have been given to the Lessee.

SECTION 11. PAYMENT FOR CASUALTY OCCURRENCE OR EQUIPMENT
UNSERVICEABLE FOR USE.

11.1. Duty of Lessee to Notify Lessor. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of the Lessee, irreparably damaged, or in the opinion of both the Lessor and the Lessee, obsolete or economically unserviceable for use from any cause whatsoever, or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise during the term of this Lease (any such occurrence, except for any requisition which by its terms does not exceed the remaining term of this Lease, being hereinafter called a Casualty Occurrence), the Lessee shall promptly and fully (after it has knowledge of such Casualty Occurrence) inform the Lessor in regard thereto.

11.2. Sum Payable for Casualty Loss. When the aggregate Casualty Value (as herein defined) of Items of Equipment having suffered a Casualty Occurrence (exclusive of Items of Equipment having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Lessor pursuant to this Section 11) shall exceed \$100,000, the Lessee, on the next succeeding Rent Payment Date, shall pay to the Lessor a sum equal to the Casualty Value of such Item or Items of Equipment as of the date of such payment; provided that notwithstanding the foregoing the Lessee shall on the last Rent Payment Date of each calendar year pay to Lessor a sum equal to the Casualty Value of any Item or Items of Equipment which have suffered a casualty occurrence during such calendar year or any prior year for which no payment has previously been made to the Lessor pursuant to this Section 11.2.

11.3. Rent Termination. Upon (and not until) payment of the Casualty Value in respect of any Item or Items of Equipment, the obligation to pay rent for such Item or Items of Equipment (including the Periodic Rent installment due on the Casualty Value payment date) shall terminate, but the Lessee shall continue to pay rent for all other Items of Equipment. The Lessee shall pay when due all rent payments as to an Item or Items due prior to the date on which the Casualty Value thereof is payable.

11.4. Disposition of Equipment. The Lessee shall, as agent for the Lessor, dispose of such Item or Items of Equipment as soon as it is able to do so for the best price obtainable. Any such disposition shall be on an "as is", "where is" basis without representation or warranty, express or implied. As to each separate Item of Equipment so disposed of the Lessee may retain all amounts of such price plus any insurance proceeds and damages received by the Lessee by reason of such Casualty Occurrence up to the Casualty Value attributable thereto and shall remit the excess, if any, to the Lessor. In disposing of such Item or Items of Equipment, the Lessee shall take such action as the Lessor shall reasonably request to terminate any contingent liability which the Lessor might have arising after such disposition from or connected with such Item or Items of Equipment.

11.5. Casualty Prior to Commencement of Periodic Rent. In the event the Lessee shall have notified the Lessor that an Item or Items of Equipment have suffered a Casualty Occurrence 15 days or more prior to the commencement of Periodic Rent hereunder with respect thereto, the Casualty Value for such Item or Items shall be an amount equal to 102% of its cost plus the Interim Rent therefor to the date of payment of such Casualty Value, which date shall be not more than 15 days after the date of notice to the Lessor of such Casualty Occurrence. If the Lessee shall have notified the Lessor that an Item or Items of Equipment have suffered a Casualty Occurrence less than 15 days prior to the commencement of Periodic Rent hereunder with respect thereto, the date of such Casualty Occurrence for such Item or Items shall be deemed to be one day after the due date of the first installment of Periodic Rent.

11.6. Casualty Value. The Casualty Value of each Item of Equipment shall be an amount determined as of the date the Casualty Value is paid as provided in this Section 11 (and not the date of the Casualty Occurrence) equal to that percentage of the acquisition and reconstruction cost to the Lessor of such Item of Equipment as set forth in the Schedule of Casualty Value attached hereto as Schedule B.

11.7. Risk of Loss. The Lessee shall bear the risk of and, except as hereinabove in this Section 11 provided, shall not be released from its obligations hereunder in the event of any Casualty Occurrence to any Item of Equipment after the date hereof.

11.8. Eminent Domain. In the event that during the term of this Lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which does not exceed the remaining term of this Lease, the Lessee's duty to pay rent shall continue for the duration of such requisitioning or taking. The Lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession to an amount equal to the rent paid or payable hereunder for such period, and the balance, if any, shall be payable to and retained by the Lessor as its sole property.

SECTION 12. ANNUAL REPORTS.

12.1. Duty of Lessee to Furnish. On or before May 1 in each year, commencing with the year 1972, the Lessee will furnish to the Lessor or its assigns an accurate statement, as of the preceding fiscal year (a) showing the amount, description and numbers of the Items of Equipment then leased hereunder, the amount, description and numbers of all Items of Equipment that may have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Lease, in the case of the first such statement), and such other information regarding the condition or repair of the Equipment as Lessor may reasonably request, and (b) stating that, in the case of all Equipment repainted during the period covered by such statement, the markings required by Section 4.2 hereof shall have been preserved or replaced.

12.2. Lessor's Inspection Rights. The Lessor or its assigns shall have the right, at its sole cost and expense, by its authorized representative, to inspect the Equipment and the Lessee's records with respect thereto, at such times as shall be reasonably necessary to confirm to the Lessor or its assigns the existence and proper maintenance thereof during the continuance of this Lease.

SECTION 13. RETURN OF EQUIPMENT UPON EXPIRATION OF TERM.

Duty of Lessee to Return Equipment. Upon the expiration of the term of this Lease with respect to any Item of Equipment, the Lessee will, at its own cost and expense, at the request of the Lessor, deliver possession of such Item of Equipment to the Lessor

upon such storage tracks of the Lessee as the Lessor may designate, or in the absence of such designation, as the Lessee may select, and permit the Lessor to store such Item of Equipment on such tracks for a period not exceeding 90 days and transport the same at any time within such 90 days period to any reasonable place on the lines of railroad operated by the Lessee or to any connecting carrier for shipment, all as directed by the Lessor upon not less than 30 days' written notice to Lessee. All movement and storage of each such Item is to be at the risk and expense of the Lessee. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Item, to inspect the same. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee to so assemble, deliver, store and transport the Equipment.

SECTION 14. DEFAULT.

14.1. Events of Default. If, during the continuance of this Lease, one or more of the following events ("Events of Default") shall occur:

(a) Default shall be made in the payment of any part of the rental provided in Section 2 hereof and such default shall continue for ten days;

(b) The Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or of possession of the Equipment, or any portion thereof, and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Equipment within 30 days after written notice from the Lessor to the Lessee demanding such cancellation and recovery of possession;

(c) Default shall be made in the observance of performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein and such default shall continue for 30 days after written notice from the Lessor to the Lessee, specifying the default and demanding the same to be remedied;

(d) A petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, shall be filed by or against the Lessee, and, if instituted against the Lessee, is consented to or is not dismissed within 60 days after such petition shall have been filed; or

(e) Any other proceedings shall be commenced by or against the Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations of the Lessee hereunder), and, if instituted against the Lessee, are consented to or are not dismissed within 60 days after such proceedings shall have been commenced;

then in any such case the Lessor, at its option, may:

(1) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(2) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Equipment for any purpose whatever, but the Lessor, shall, nevertheless, have a right to recover from the Lessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by a fraction of which the numerator is such accrued number of days and the denominator is the total number of day in such full rental period) and also to recover forthwith from the Lessee (1) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Item of Equipment, which represents the excess of the present worth, at the time of such termination, of all rentals for such Item which would otherwise have accrued hereunder from the date of such

termination to the end of the term of this Lease over the then present worth of the then fair rental value of such Item for such period computed by discounting from the end of such term to the date of such termination rentals which the Lessor reasonably estimates to be obtainable for the use of the Item during such period, such present worth to be computed in each case on a basis of a 3-1/2% per annum discount, compounded semiannually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, and (ii) any damages and expenses including reasonable attorney's fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rent.

14.2. Cumulative Remedies. The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims of any right to assert any off-set against the rent payments due hereunder, and agrees to make the rent payments regardless of any off-set or claim which may be asserted by the Lessee on its behalf in connection with the lease of the Equipment.

14.3. Lessor's Failure to Exercise Rights. The failure of the Lessor to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

14.4. Termination by Assignee of Conditional Sale Agreement. Anything in this Lease to the contrary notwithstanding, if the Assignee of the Conditional Sale Agreement shall, upon the occurrence of an Event of Default as defined therein, state in a written notice to the Lessor and Lessee that this Lease terminates, this Lease shall, immediately upon receipt by Lessee of such notice, terminate as to all the Items of Equipment and the rights of the Lessee hereunder shall at all times and in all respects be subject and subordinate to the rights and remedies of the Assignee under the Conditional Sale Agreement.

SECTION 15. RETURN OF EQUIPMENT UPON DEFAULT.

15.1. Lessee's Duty to Return. If the Lessor shall terminate this Lease pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Equipment to the Lessor. For the purpose of delivering possession of any Item of Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

(a) Forthwith place such Equipment in such reasonable storage place on the Lessee's lines of railroad as the Lessor may designate or, in the absence of such designation, as the Lessee may select;

(b) Permit the Lessor to store such Equipment in such reasonable storage place on the Lessee's lines of railroad for a period not exceeding 180 days at the risk of the Lessee; and

(c) Transport the Equipment, at any time within such 180 days' period, to any place on the lines of railroad operated by the Lessee or to any connecting carrier for shipment, all as the Lessor may reasonably direct upon not less than 30 days' written notice to the Lessee.

15.2. Intention of Parties. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so as to assemble, deliver, store and transport the Equipment.

15.3. Lessor Appointed Lessee's Agent. Without in any way limiting the obligations of the Lessee under the foregoing provisions of this Section 15, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Items of Equipment to Lessor, to demand and take possession of such Item in the name and on behalf of Lessee from whosoever shall be at the time in possession of such Item.

SECTION 16. ASSIGNMENTS BY LESSOR.

This Lease shall be assignable in whole or in part by Lessor without the consent of Lessee, but Lessee shall be under no obligation to any assignee of the Lessor except upon written notice

of such assignment from the Lessor. In the event that separate assignments are executed by the Lessor in respect of this Lease and the rental and other sums due and to become due hereunder, insofar as the same relate to Items of Equipment described in separate Schedules hereto the Lessor and the Lessee agree that so long as such separate assignments remain in force and effect this Lease shall be deemed to be and shall be construed as a divisible and severable contract between the Lessor and the Lessee for the leasing of Equipment covered by each such separate assignment, all to the same extent and with the same force and effect as though a separate lease had been entered into by the Lessor and the Lessee in respect of such Equipment. Upon notice to the Lessee of any such assignment the rent and other sums payable by the Lessee which are the subject matter of the assignment shall be paid to the assignee. Without limiting the foregoing, the Lessee further acknowledges and agrees that (i) the rights of any such assignee in and to the sums payable by the Lessee under any provisions of this Lease shall not be subject to any abatement whatsoever, and shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever whether by reason of or defect in Lessor's title, or any interruption from whatsoever cause (other than from a wrongful act of the assignee) in the use, operation or possession of the Equipment or any part thereof, or any damage to or loss or destruction of the Equipment or any part thereof, or by reason of any other indebtedness or liability, howsoever and whenever arising, of the Lessor to the Lessee or to any other person, firm or corporation or to any governmental authority or for any cause whatsoever, it being the intent hereof that, except in the event of a wrongful act on the part of the assignee, the Lessee shall be unconditionally and absolutely obligated to pay the assignee all of the rents and other sums which are the subject matter of the assignment, and (ii) the assignee shall have the sole right to exercise all rights, privileges and remedies (either in its own name or in the name of the Lessor for the use and benefit of the assignee) which by the terms of this Lease are permitted or provided to be exercised by the Lessor.

SECTION 17. ASSIGNMENTS BY LESSEE: USE AND POSSESSION.

17.1. Lessee's Rights to the Equipment. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Equipment in accordance with the terms of this Lease, but, without the prior written consent of the Lessor, the Lessee shall not assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment (except to the extent that the provisions of any mortgage now or hereafter created on any of the lines of railroad of the Lessee may subject such leasehold interest to the lien thereof). The Lessee shall not,

without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Equipment, except to the extent permitted by the provisions of Section 17.2 hereof.

17.2. Use and Possession on Lines Other Than Lessee's Own. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad owned or operated by it (either alone or jointly) or by any corporation a majority of whose voting stock (i.e., having ordinary voting power for the election of a majority of its Board of Directors) is owned directly or indirectly by the Lessee, or upon lines of railroad over which the Lessee or such corporation has trackage or other operating rights or over which Equipment of the Lessee is regularly operated pursuant to contract and also to permit the use of the Equipment (other than any locomotives included in the Equipment) upon connecting and other railroads in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Lease. No assignment, sublease or interchange entered into by the Lessee hereunder shall relieve the Lessee of any liability or obligations hereunder which shall be and remain those of a principal and not a surety.

17.3. Merger, Consolidation or Acquisition of Lessee. Nothing in this Section 17 shall be deemed to restrict the right of Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to any corporation (which shall have duly assumed the obligations hereunder of Lessee) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of Lessee as an entirety or substantially as an entirety.

SECTION 18. OPINION OF LESSEE'S COUNSEL.

Concurrently with the delivery and acceptance of the first Item of Equipment hereunder, the Lessee will deliver to the Lessor five counterparts of the written opinion of counsel for the Lessee addressed to the Lessor, the Agent and to any assignee under Section 16 of which the Lessee has notice, in scope and substance satisfactory to the Lessor, to the effect that:

(a) The Lessee is a corporation legally incorporated and validly existing, in good standing, under the laws of the State of Delaware;

(b) The Lessee has the corporate or other power and authority to own its property and carry on its business as now being conducted and is duly qualified to do business as a foreign corporation in all states in which such qualification is necessary to carry out the terms of the Lease;

(c) This Lease and the Reconstruction Agreement have been duly authorized, executed and delivered by the Lessee and constitute the valid, legal and binding agreements of the Lessee enforceable in accordance with their respective terms;

(d) This Lease has been filed and recorded with the Interstate Commerce Commission pursuant to Section 20(c) of the Interstate Commerce Act and no other filing, recording or depositing is necessary to protect the Lessor's title to the Equipment;

(e) No approval, consent or withholding of objection is required from any public regulatory body with respect to the entering into or performance of the Railroad Equipment Purchase Agreement or this Lease;

(f) The execution and delivery by Lessee of the Reconstruction Agreement and this Lease do not violate any provision of any law, any order of any court or governmental agency, the Charter or By-laws of the Lessee, or any indenture, agreement, or other instrument to which Lessee is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement, or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessee, except as contemplated and permitted hereby; and

(g) As to any other matter which Lessor shall reasonably request.

SECTION 19. INTEREST ON OVERDUE RENTALS AND AMOUNTS PAID BY LESSOR.

Anything to the contrary herein contained notwithstanding, any nonpayment of rentals due hereunder, or amounts expended by the Lessor on behalf of the Lessee, shall result in the obligation on the part of the Lessee to pay also an amount equal to 10% (or

the lawful rate, whichever is less) of the overdue rentals and amounts expended for the period of time during which they are overdue or expended and not repaid.

SECTION 20. NOTICES.

Any notice required or permitted to be given by either party hereof to the other shall be deemed to have been given when deposited in the United States mails, certified first class postage prepaid, addressed as follows:

If to the Lessor Trustees under B. N. Trust No. 2
or the Agent: c/o United States Leasing International,
Inc.
633 Battery Street
San Francisco, California 94111

If to the Lessee: Burlington Northern Inc.
Burlington Northern Building
St. Paul, Minnesota 55101

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

SECTION 21. EXECUTION IN COUNTERPARTS.

This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

SECTION 22. LAW GOVERNING.

This Lease shall be construed in accordance with the laws of California; provided, however, that the parties shall be entitled to all rights conferred by any applicable federal statute, rule or regulation.

SECTION 23. OPTION TO PURCHASE.

23.1. Terms. Provided that the Lessee is not in default, Lessee shall have the following option to purchase:

(a) The Lessee shall have the right to purchase all but not less than all of the Equipment then leased hereunder at the expiration of the original term at a price equal to the "fair market value" (as defined). The Lessee shall give the Lessor written notice 180 days prior to the end of the original term of its election to exercise the purchase option provided for in this Section. Payment of the option price shall be made at the place of payment specified in Section 2 hereof in funds there current against delivery of a bill of sale transferring and assigning to the Lessee all right, title and interest of the Lessor in and to the Equipment and containing a warranty against liens or claims of persons claiming by, through or under the Lessor except liens and claims which the Lessee assumed or is obligated to discharge under the terms of the Lease. The Lessor shall not be required to make any representation or warranty as to the condition of the Equipment or any other matters.

(b) The "fair market value" shall be an amount mutually agreed upon by the Lessor and the Lessee; provided that if the Lessor and the Lessee are unable to agree upon the fair market value of the Equipment within 30 days after receipt by the Lessor of the notice of the Lessee's election to exercise the purchase option, the fair market value shall be determined by an appraiser selected by mutual agreement of the Lessor and the Lessee. If the Lessor and the Lessee are not able to agree upon an appraiser, or if the fair market value is not so determined within 90 days after receipt by the Lessor of the Lessee's election to purchase, the same shall be determined by American Appraisal Company. The fair market value as finally determined shall bear interest for the period, if any, from the date of expiration of this Lease to the date of payment at the rate of 10% per annum. Upon determination of the fair market value as aforesaid, the Lessee may at its option withdraw and rescind its election to purchase without further liability to the Lessor.

(c) Unless the Lessee has given the Lessor 180 days notice as required in connection with exercise of the foregoing option, all the Equipment then leased hereunder shall be returned to the Lessor in accordance with Section 13 hereof.

23.2. Election to Purchase. Notwithstanding any election of the Lessee to purchase, the provisions of Section 11 hereof shall continue in full force and effect until the date of purchase

and the passage of ownership of the Equipment purchased by the Lessee upon the date of purchase unless the purchase price has been agreed upon by the parties pursuant to this Section 23, in which event such purchase price shall govern.

SECTION 24. CONCERNING THE LESSOR AND THE AGENT.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of the Lessor, while in form purporting to be the representations, covenants, undertakings and agreements of D. E. Mundell and Ben Maushardt, are nevertheless each and every one of them, made and intended not as personal representations, covenants and undertakings and agreements of them or for the purpose or with the intention of binding them personally, but are made and intended for the purposes of binding only the Trust and the Trust Estate as that term is used in the Trust Agreement; such Trust is the Lessor hereunder, and this Lease is executed and delivered by D. E. Mundell and Ben Maushardt, not in their own right but solely in the exercise of the powers conferred upon them as such Trustees; and no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against such persons or the Agent on account of this Lease or on account of any representation, covenant, undertaking or agreement of such persons or the Agent in this Lease contained, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee herein and by all persons claiming by, through or under said Lessee; excepting, however, that the Lessee or any person claiming by, through or under it, making claim hereunder, may look to said Trust and the Trust Estate for satisfaction of the same.

SECTION 25. TRUSTOR DEFINED.

The term "Trustor" as used herein means First National Bank of Minneapolis and The Central Trust Company Bank, Trustors under a certain Trust Agreement dated November 30, 1970 among the Trustor, the Lessor and the Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective officers thereunder duly

authorized and their corporate seals to be hereto affixed as of the day and year first above written.

D. E. MUNDELL and BEN MAUSHARDT
as Trustees under a Trust Agreement dated
as of November 30, 1970

By Ben Maushardt
Lessor

(Corporate Seal)

BURLINGTON NORTHERN INC.

Attest:

L. A. Sumner
Assistant Secretary

By Frank H. Coyle
Its Vice President, Finance
Lessee

(Corporate Seal)

UNITED STATES LEASING INTERNATIONAL, INC.

Attest:

Joanne L. Miller
Assistant Secretary

By David A. Hooley
Its Vice President
Agent for Lessor

Exhibits to Lease

1 - Certificate of
Acceptance

Schedules to Lease

A-1 through A-11 - List of Equipment
B - Schedule of Casualty Value

CERTIFICATE OF ACCEPTANCE

Under Equipment Lease dated as of November 30, 1970 and Conditional Sale Agreement dated as of November 30, 1970

Re: B. N. Trust No. 2

The undersigned, being the duly authorized representative of D. E. Mundell and Ben Maushardt, Trustees under Trust Agreement dated as of November 30, 1970 (the "Trustees") and of Burlington Northern Inc. (the "Lessee"), hereby certifies that the following units of reconstructed railroad equipment, referred to in the Railroad Equipment Reconstruction Agreement (the "Reconstruction Agreement") between the Trustees and Burlington Equipment Company (the "Rebuilder") in the Equipment Lease (the "Lease") between the Trustees and the Lessee, and in the Conditional Sale Agreement (the "Conditional Sale Agreement") between the Rebuilder and the Trustees, each dated as of November 30, 1970.

Description:

<u>Total No. of Items</u>	<u>Lessee's Identifying Nos.</u>	<u>Date</u>
-------------------------------	--------------------------------------	-------------

have been duly delivered in good order by the Rebuilder and duly inspected and accepted by the undersigned on the respective dates shown above on behalf of the Trustees and in turn have been duly delivered by the Trustees to the Lessee and have been duly inspected and accepted by the undersigned on said dates on behalf of the Lessee as conforming in all respects to the requirements of the Lease and the Conditional Sale Agreement.

The undersigned further certifies that at the time of its delivery to the Trustees and the Lessee each unit of reconstructed railroad equipment covered by this Certificate was properly marked on each side thereof with the legend provided in Section 4.2 of the Lease and in the Conditional Sale Agreement.

Dated:

Duly authorized representative of
D. E. Mundell and Ben Maushardt,
Trustees under Trust Agreement dated as of
November 30, 1970 and of Burlington
Northern Inc.

B. N. Trust No. 2

EXHIBIT 1
(to Equipment Lease)

SCHEDULE A-1

NUMBER OF UNITS:	300 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	300- 50-ton 40'6" box cars with 6'0" single door, reinforced steel underframe, cast steel trucks with friction bearings, steel sheathed with wood lining and steel rein- forced wood floor, bearing iden- tifying numbers BN 160000 to 160299, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$5,058.00 per car
TOTAL PRICE:	\$1,517,400.00 for all 300 cars.
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$336.79 per unit or an aggregate of \$101,037.00 for all 300 units.
INTERIM DAILY RENT:	\$1.1591 per day per car

B. N. Trust No. 2

SCHEDULE A-1

(To Equipment Lease)

SCHEDULE A-2

NUMBER OF UNITS:	100 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	100- 50-ton 40'6" box cars with 6'0" single door, steel reinforced underframe, cast steel trucks with friction bearings, steel sheathed with wood lining and steel rein- forced wood floor, bearing iden- tifying numbers BN 160900 to 160999, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$4,365.00 per car
TOTAL PRICE:	\$436,500.00 for all 100 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$290.64 per unit or an aggregate of \$29,064.00 for all 100 units
INTERIM DAILY RENT:	\$1.0003 per day per car

B.N. Trust No. 2

SCHEDULE A-2

(to Equipment Lease)

SCHEDULE A-3

NUMBER OF UNITS:	150 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	150- 50-ton 40'6" box cars with 6'0" single door, steel reinforced underframe, cast steel trucks with friction bearings steel sheathed with wood lining and steel rein- forced wood floor, bearing iden- tifying numbers BN 160750 to 160899, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$4,365.00 per car
TOTAL PRICE:	\$654,750.00 for all 150 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$290.64 per unit or an aggregate of \$43,596.00 for all 150 units
INTERIM DAILY RENT:	\$1.0003 per day per car

B.N. Trust No. 2

SCHEDULE A-3

(to Equipment Lease)

SCHEDULE A-4

NUMBER OF UNITS:	300 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	300- 50-ton 40'6" box cars with 6'0" single door, steel reinforced underframe, cast steel trucks with friction bearings, steel sheathed with wood lining and steel rein- forced wood floor, bearing iden- tifying numbers BN 159700 to 159999, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$5,152.50 per car
TOTAL PRICE:	\$1,545,750.00 for all 300 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$343.08 per unit or an aggregate of \$102,924.00 for all 300 units
INTERIM DAILY RENT:	\$1.1808 per day per car

B.N. Trust No. 2

SCHEDULE A-4

(to Equipment Lease)

SCHEDULE A-5

NUMBER OF UNITS: 900 units

DESCRIPTION OF
RECONSTRUCTED EQUIPMENT: 900- 50-ton 40'6" box cars with
6'0" single door, steel reinforced
underframe, cast steel trucks with
friction bearings, steel sheathed
with wood lining and steel rein-
forced wood floor, bearing iden-
tifying numbers BN 161000 to
161899, both inclusive.

UNIT PRICE OF RECONSTRUCTED
EQUIPMENT: \$4,365.00 per car

TOTAL PRICE: \$3,928,500.00 for all 900 units

OUTSIDE DELIVERY DATE: March 1, 1972

DELIVER TO: Burlington Northern, Inc.
as designated by the Railroad

RENT PERIOD: Ten (10) years commencing with
the first rental payment date

FIXED RENTAL: 20 semi-annual installments, in
advance, of \$290.64 per unit or
an aggregate of \$261,576.00 for
all 900 units

INTERIM DAILY RENT: \$1.0003 per day per car

B.N. Trust No. 2

SCHEDULE A-5

(to Equipment Lease)

SCHEDULE A-6

NUMBER OF UNITS:	250 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	250- 50-ton 50'6" box cars with 15'0" double door, steel rein- forced underframe, cast steel trucks with friction bearings steel sheathed with wood lining and steel floor, bearing identi- fying numbers BN 243100 to 243349, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$4,960.00 per car
TOTAL PRICE:	\$1,240,000.00 for all 250 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$330.26 per unit or an aggregate of \$82,565.00 for all 250 units
INTERIM DAILY RENT:	\$1.1367 per day per car

B.N. Trust No. 2

SCHEDULE A-6

(to Equipment Lease)

SCHEDULE A-7

NUMBER OF UNITS:	50 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	50- 50-ton 50'6" belt rail and crossbar equipped box cars with 8'0" single door, steel reinforced underframe, cast steel trucks with friction bearings, steel sheathed with wood lining and steel reinforced wood floor, bearing identifying numbers BN 320550 to 320599, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$5,065.00 per car
TOTAL PRICE:	\$253,250.00 for all 50 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$337.25 per unit or an aggregate of \$16,862.50 for all 50 units
INTERIM DAILY RENT:	\$1.1607 per day per car

B.N. Trust No. 2

SCHEDULE A-7

(to Equipment Lease)

SCHEDULE A-8

NUMBER OF UNITS:	100 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	100- 70-ton 41'6" solid bottom gondola steel reinforced underframe and superstructure, cast steel trucks with friction bearings, steel reinforced wood floor, bear- ing identifying numbers BN 553900 to 553999, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$5,438.00 per car
TOTAL PRICE:	\$543,800.00 for all 100 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$362.09 per unit or an aggregate of \$36,209.00 for all 100 units
INTERIM DAILY RENT:	\$1.2462 per day per car

B.N. Trust No. 2

SCHEDULE A-8

(to Equipment Lease)

SCHEDULE A-9

NUMBER OF UNITS:	50 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	50- 50-ton <u>flat</u> cars, steel rein- forced underframe, cast steel trucks with friction bearings, wood deck, bearing identifying numbers BN 602250 to 602299, both inclu- sive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$2,548.00 per car
TOTAL PRICE:	\$127,400.00 for all 50 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$169.66 per unit or an aggregate of \$8,483.00 for all 50 units
INTERIM DAILY RENT:	\$.5839 per day per car

B.N. Trust No. 2

SCHEDULE A-9

(to Equipment Lease)

SCHEDULE A-10

NUMBER OF UNITS:	300 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	300- 50-ton 53'6" <u>flat cars</u> , steel reinforced underframe, cast steel trucks with friction bearings, wood deck, bearing identifying numbers BN 606800 to 607099, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$2,547.50 per car
TOTAL PRICE:	\$764,250.00 for all 300 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$169.63 per unit or an aggregate of \$50,889.00 for all 300 units
INTERIM DAILY RENT:	\$.5838 per day per car

B.N. Trust No. 2

SCHEDULE A-10

(to Equipment Lease)

SCHEDULE A-11

NUMBER OF UNITS:	250 units
DESCRIPTION OF RECONSTRUCTED EQUIPMENT:	250- 70-ton 29'3" covered <u>hopper</u> all steel construction, cast steel trucks with friction bearings and reinforced underframe, bearing identifying numbers BN 421500 to 421749, both inclusive.
UNIT PRICE OF RECONSTRUCTED EQUIPMENT:	\$3,825.00 per car
TOTAL PRICE:	\$956,250.00 for all 250 units
OUTSIDE DELIVERY DATE:	March 1, 1972
DELIVER TO:	Burlington Northern, Inc. as designated by the Railroad
RENT PERIOD:	Ten (10) years commencing with the first rental payment date
FIXED RENTAL:	20 semi-annual installments, in advance, of \$254.69 per unit or an aggregate of \$63,672.50 for all 250 units
INTERIM DAILY RENT:	\$.8766 per day per car

B.N. Trust No. 2

SCHEDULE A-11

(to Equipment Lease)

BURLINGTON NORTHERN - Trust No. 2

SCHEDULE OF CASUALTY VALUE

CASUALTY VALUE: The following percent of the Unit Price of an Item of Equipment, as set forth in Schedules A-1 through A-11, including all taxes and delivery charges, is to be paid on a Periodic Rent installment due date pursuant to Section 11 of the Equipment Lease as the result of an Item becoming the subject of a Casualty Occurrence, depending upon when the Casualty Value is paid:

<u>After Rental Payment No.</u>	<u>Payable on Date and in Lieu of Payment No.</u>	<u>Casualty Value Payable Per Item (in lieu of rental payment for such Item due on such date)</u>
0	as provided in Section 11.5 of the Lease	
1	2	99.875
2	3	97.625
3	4	94.250
4	5	90.625
5	6	87.000
6	7	83.250
7	8	79.250
8	9	75.250
9	10	71.000
10	11	66.625 -
11	12	62.250
12	13	57.625
13	14	52.875
14	15	47.875
15	16	42.875
16	17	37.625
17	18	32.250
18	19	26.750
19	20	21.000
20	Expiration date of Lease term	15.000

SCHEDULE B

(To Equipment Lease)

STATE OF MINNESOTA)
) SS
COUNTY OF RAMSEY)

On this 25th day of February, 1971, before me personally appeared FRANK H. COYNE, to me personally known, who being by me duly sworn, says that he is a Vice President, Finance of Burlington Northern, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. H. McCarthy
Notary Public

J. H. McCARTHY,
Notary Public, Ramsey County, Minn.
My Commission Expires Jan. 6, 1975

(Seal)

My commission expires:

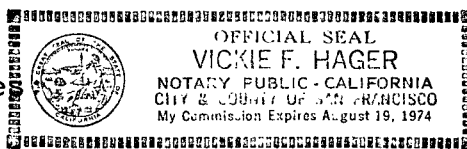
STATE OF CALIFORNIA)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this 12 day of February, 1971, before me personally appeared DAVID A. WOOLSEY, to me personally known, who being by me duly sworn, says that he is the Vice President of UNITED STATES LEASING INTERNATIONAL, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Vickie F. Hager
Notary Public

(Seal)

My commission expire



STATE OF CALIFORNIA)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this 12 day of February, 1971, before me personally
appeared BEN MAUSHARDT, to me known to be the
person described in and who executed the foregoing instrument and
he acknowledged that he executed the same as his free act and deed.

Vivian J. Hager

(SEAL)

My commission expires:

